

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of  
Puerto Rico Cable Acquisition Corp.  
Request for Waiver of 47 C.F.R. 76.1204(a)(1)

CSR-

To: Chief, Media Bureau:

**REQUEST FOR WAIVER**

Pursuant to Section 629(c) of the Communications Act, Section 706 of the Telecommunications Act of 1996, and Sections 1.3 and 76.7 of the Commission's rules, Puerto Rico Cable Acquisition Corp., d/b/a Choice Cable T.V. (hereinafter "Choice"), respectfully requests a waiver from the integration ban set forth in the second sentence of Section 76.1204(a)(1) of the Commission's rules. Because Choice has deployed an all-digital network, at a minimum it seeks the same conditional relief that the Commission previously granted in its *BendBroadband Order*.<sup>1</sup> The continued ability to deploy low-cost integrated devices is critical to Choice's ability to maintain an all-digital network through the DTV transition in February 2009, and indeed to its survival and its continued deployment of new services throughout its franchise areas in the smaller communities and rural areas of Puerto Rico. But the Commission should also grant Choice a waiver for all devices given the unique circumstances of the MVPD and navigation device market in Puerto Rico, where the record shows the ban will *deny* consumers access to advanced services while providing *nothing* comparable in return.

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<sup>1</sup> *Bend Cable Communications, LLC d/b/a BendBroadband Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules*, CSR-7057-Z, Memorandum Opinion and Order, DA 07-47 (rel. Jan. 10, 2007).

**I. CHOICE NEEDS A LOW-COST WAIVER TO SUSTAIN ITS ALL-DIGITAL NETWORK.**

Choice is a small cable operator that provides cable television, digital telephone and high-speed Internet services to 72,000 customers in the south, west and northwest areas of the Commonwealth of Puerto Rico, outside of the island's only major metropolitan area, San Juan. When Choice acquired these cable systems in December 2004, less than half of the plant supported two-way communication and most of it was in dire need of repair. Choice immediately began a \$20 million dollar investment to upgrade the plant to an all-digital network, becoming one of the first all-digital cable networks anywhere in the United States. This upgrade prepared Choice's customers for the DTV transition, and it enabled Choice to reclaim bandwidth to use for HD programming, Video On Demand, faster broadband speeds, telephone services and other digital features.

An all-digital network requires that customers have a digital set-top box for each analog television in their home that they wish to be able to control separately. Thus, the continued availability of very low-cost set-top boxes such as the Motorola DCT-700 was the single most important factor that enabled Choice to establish a commercially-viable all-digital network in rural Puerto Rico, and is the only way that it can afford to maintain it. The DCT-700 is the least expensive new set-top box available today, at \$79. By contrast, Motorola's least expensive CableCARD-equipped device will cost nearly three times as much, approximately \$230.<sup>2</sup> The impact of such a massive increase in the cost of these set-top boxes would have a disproportionate impact in Choice's service area in

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<sup>2</sup> *BendBroadband Order* at ¶ 22; *see also* CS Docket No. 97-80, Letter from Jean Kiddoo, Counsel to RCN, to Marlene Dortch, FCC, at 2, fn. 1 (Nov. 21, 2006) (indicating the total cost of a DCH-100 plus CableCARD to be \$232 per box).

rural Puerto Rico, where the median household income is \$12,960 and 52.8% of all people live below the poverty level.<sup>3</sup>

Given these demographics, Choice has already pushed the limits of economic viability in its area by requiring digital set-top boxes and by raising rates in connection with its massive upgrade. As a result of these prior increases, Choice has experienced a decline in subscribership, and now has only a 22% penetration rate of homes passed. Therefore, even though Choice has already deployed set-tops to all of its existing customers, the vast majority of its *potential* customers do not have set-tops. The thousands of Puerto Rican consumers who recently cancelled or who have never had MVPD service are far more price sensitive than the average mainland consumer,<sup>4</sup> and will therefore be even less likely to purchase digital cable service in the future if Choice is forced to raise its set-top rates by \$3-4 per month per box as a result of the integration ban. While operators still transmitting in analog could offer basic service to such customers without requiring set-top boxes, Choice would be precluded from offering service altogether to customers who could not afford the new CableCARD set-tops. Choice cannot economically sustain its all-digital network through the 2009 DTV transition if it is effectively precluded from signing up new customers.

In addition, the price increases resulting from the integration ban would also cause Choice to lose existing customers. Choice's set-top boxes frequently need to be

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<sup>3</sup> See Exhibit 2 (showing US Census Bureau data for Mayaguez-San German-Cabo Rojo, PR Combined Statistical Area, also available at [http://factfinder.census.gov/servlet/ADPTable?\\_bm=y&-context=adp&-qr\\_name=ACS\\_2005\\_EST\\_G00\\_DP3&-ds\\_name=ACS\\_2005\\_EST\\_G00\\_&-tree\\_id=305&-redoLog=false&-\\_caller=geoselect&-geo\\_id=33000US364&-format=&-\\_lang=en](http://factfinder.census.gov/servlet/ADPTable?_bm=y&-context=adp&-qr_name=ACS_2005_EST_G00_DP3&-ds_name=ACS_2005_EST_G00_&-tree_id=305&-redoLog=false&-_caller=geoselect&-geo_id=33000US364&-format=&-_lang=en)).

<sup>4</sup> In the mainland United States, the median household income is \$42,000, more than triple the median in Choice's service area. Thus, in comparison to Choice's 22% penetration rate, mainland incumbents typically have a large share of the 86% MVPD penetration rate. See U.S. Census Bureau, Census 2000 Summary; see also *Annual Assessment of the Status of Competition in the Market for the Delivery of Video Programming*, MB Docket No. 05-255, Twelfth Annual Report, FCC 06-11, ¶ 8 (rel. Mar. 3, 2006).

replaced as a result of recurring power surges that are common in parts of Puerto Rico. Customers who need replacement boxes, or who want an additional box for a new television, will not understand why Choice would need to charge \$3-4 more per month for a new box that does nothing more than their old one. And again, because of its all-digital network, Choice would not have the option, open to analog cable operators, to suggest that the customer unhappy with set-top pricing to order analog service without a set-top box.

For these reasons, the Commission has recognized that a waiver of the integration ban for low-cost set-top boxes is warranted for a cable operator that deploys an all-digital network before the February 17, 2009 termination date for analog broadcasting. In granting a waiver for the DCT-700 to BendBroadband, the Commission found that an all-digital network would:

enable it to ensure that its cable subscribers will be able to view digital broadcast signals after the end of the DTV transition. It also may enable BendBroadband to provide additional HD content, which may facilitate the DTV transition by creating greater incentives for its subscribers to acquire digital television sets. Therefore ... a conditioned grant of the Waiver Request would facilitate BendBroadband's rapid transition to an all-digital network (*i.e.*, by 2008), which was a critical factor in the Commission's decision to consider waiver requests at all. ... [In addition, an all-digital network] would allow it to reclaim a considerable amount of spectrum within a clearly defined timeframe, which would enable it to provide consumers with advanced telecommunication capabilities, thereby furthering the goals of Section 706.<sup>5</sup>

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<sup>5</sup> *BendBroadband Order* at ¶¶ 24-25. Similarly, the Commission previously held that "achieving consumer choice by establishing a competitive market should not displace a low-cost set-top box option for MVPD subscribers. It is critical to the DTV transition that consumers have access to inexpensive digital set-top boxes that will permit the viewing of digital programming on analog television sets both during and after the transition. The availability of low-cost boxes will further the cable industry's migration to all-digital networks, thereby freeing up spectrum and increasing service offerings such as high-definition television. Accordingly, as cable systems migrate to all-digital networks, we will also consider whether low-cost, limited capability boxes should be subject to the integration ban or whether cable operators should be permitted to offer such low-cost, limited capability boxes on an integrated basis." *Commercial Availability of Navigation Devices*, CS Docket 97-80, Second R&O, ¶ 37 (2005).

Accordingly, the Commission indicated that it would grant a waiver for the DCT-700 to BendBroadband or other MVPDs that provide an affidavit committing to deploy an all-digital network prior to the DTV transition. Choice has supplied an affidavit, attached as Exhibit 1 hereto, meeting all of the conditions for waiver established by the Commission in the *BendBroadband Order*. Therefore, at a minimum, the Commission should grant Choice the same relief for the DCT-700<sup>6</sup> that it provided to BendBroadband pursuant to Sections 1.3 and 76.7 of the Commission's rules.

## **II. SPECIAL CIRCUMSTANCES IN RURAL PUERTO RICO WARRANT AT LEAST A TEMPORARY WAIVER FOR ALL DEVICES.**

The Commission has previously suggested that it would at least ordinarily prefer to limit waivers to low-cost, limited-function set-top boxes.<sup>7</sup> However, the application of the integration ban in rural Puerto Rico presents no ordinary case. Both the MVPD and navigation device markets in rural Puerto Rico are entirely different from the continental United States, and the Commission has never publicly considered whether the ban makes any sense for Puerto Rican consumers in light of these differences.<sup>8</sup> The Member of

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<sup>6</sup> Choice also intends to deploy previously used, refurbished Motorola DCT-1000 and DCT-2000 devices. These older, larger devices have a better record in withstanding recurring voltage spikes that, as mentioned above, are a common occurrence in parts of Puerto Rico. The DCT-700 suffers a higher rate of returns and request for repairs due to these spikes, and Choice presumes that the DCT-700 CableCARD counterpart, the DCH-100, would experience similar problems in these areas. The integration ban does not prohibit the use of refurbished, integrated devices, because such devices are not "new," for the reasons explained in a recent *ex parte* letter by one of Choice's suppliers. See CS Docket 97-80, Letter from Adams Cable Equipment to Chairman Martin (Apr. 18, 2007). However, if the Commission ever modifies the integration ban to apply to refurbished or other used equipment, Choice would need to seek a waiver to be able to continue to deploy surge-resistant integrated devices. In addition, because refurbished devices are less expensive, Choice would request if necessary request a waiver for refurbished devices in light of limited the lower income resources of its consumers in its service area.

<sup>7</sup> *Second Report and Order*, ¶ 37.

<sup>8</sup> See Liberty Cablevision Request for Waiver at 7-8 ("There is no evidence in the record that the Commission has considered and determined that the integration ban would produce the same consumer benefits in rural Puerto Rico as in the continental United States. In fact, the Commission's regulations reveal that the Puerto Rican market was not considered to be a relevant part of the Commission's analysis in its prior orders. Section 76.1204(a)(2) of the Commission's rules exempt from the integration ban (in Puerto Rico and otherwise) any MVPD that supports the active use by subscribers of navigation devices

Congress from Puerto Rico, the Honorable Luis Fortuño, has observed that the integration ban “appears to have been designed primarily with the markets in the continental United States in mind,” and that the “communications market and the economy in Puerto Rico are very different from the continental United States, and deserve individual consideration with respect to a significant rule such as the integration ban.”<sup>9</sup> Such individualized consideration is in fact required by law. As the D.C. Circuit explained in *WAIT Radio v. FCC*:

The Commission is charged with administration in the “public interest.” That an agency may discharge its responsibilities by promulgating rules of general application which, in the overall perspective, establish the “public interest” for a broad range of situations, does not relieve it of an obligation to seek out the “public interest” in particular, individualized cases.<sup>10</sup>

The Commission accordingly must “take a ‘hard look’ at meritorious applications for waiver,”<sup>11</sup> and waive a generally-beneficial regulation in individualized circumstances where application of the rule would result in costs to the public that would outweigh its incremental benefits.<sup>12</sup>

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that “operate throughout the *continental United States* ....” 47 C.F.R. § 76.1204(a)(2). In the prior proceedings in which the Commission considered the integration ban, Puerto Rico simply was not even on the Commission’s map.”).

<sup>9</sup> CS Docket 97-80, Letter from Hon. Luis Fortuño, Member of Congress from Puerto Rico, to Hon. Kevin J. Martin, Chairman, Federal Communications Commission, March 15, 2007

<sup>10</sup> *WAIT Radio v. FCC*, 418 F.2d 1153, 1157 (D.C. Cir. 1969).

<sup>11</sup> *KCST-TV, Inc. v. FCC*, 699 F.2d 1185, 1191-1192 (D.C. Cir. 1983) (vacating FCC denial of waiver request, holding that once the premise of the rule had been shown not to apply, the “logic of applying [the rule] collapses,” and it was arbitrary to apply the rule, *id.* at 1192, 1195). *See also WAIT Radio v. FCC*, 418 F.2d 1153, 1157-59 (D.C. Cir. 1969) (“[A] general rule, deemed valid because the overall objectives are in the public interest, may not be in the ‘public interest’ if extended to an applicant who proposes a new service that will not undermine the policy, served by the rule, that has been adjudged in the public interest.”).

<sup>12</sup> *See* 47 C.F.R. § 76.7(i) (“The Commission, after consideration of the pleadings, may determine whether the public interest would be served by the grant, in whole or in part, or denial of the request . . . .”); *see also* 47 C.F.R. § 1.3 (“Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown.”).

**A. The Integration Ban Cannot Benefit Choice Customers in the Short-Term Because of the Lack of Availability of Retail CableCARD Alternatives in Puerto Rico.**

In rural Puerto Rico, the cost to consumers of applying the integration ban to Choice's HD and DVR devices would greatly exceed its benefits. In the first place, at least for some initial period of time, there would be only costs, and no benefits at all. The only retail HD/DVR CableCARD device now offered in the continental United States, the Series 3 TiVo, is not offered in Puerto Rico, because TiVo does not support its service in the Caribbean, including Puerto Rico.<sup>13</sup> There are not any retail HD/DVR devices available to Choice's customers against which Choice could possibly discriminate. In addition, the CableCARD DTVs offered in the continental United States are barely even available in rural Puerto Rico,<sup>14</sup> and the few devices that do reach the island are too expensive (\$1700-\$7000)<sup>15</sup> for most rural Puerto Ricans to afford, given that the median household income in Choice's service area is \$12,960.<sup>16</sup> For these reasons, the Telecommunications Regulatory Board of Puerto Rico concluded that the integration ban would not and could not benefit its constituents in rural Puerto Rico at this time:

It is far from clear that these extraordinary new costs [imposed by the integration ban] would be worth it for consumers in Puerto Rico, at least at this time. Far fewer consumers in Puerto Rico, especially in the [rural]

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<sup>13</sup> See <http://www.tivo.com/1.6.4.asp#13> (viewed April 25, 2007) ("The TiVo service is currently not supported in Mexico, or any U.S. territories including Puerto Rico.")

<sup>14</sup> See LCPR Request for Waiver at 9-10. ("An LCPR employee recently visited one of the larger electronics retailers in its service area to search for CableCARD-ready devices; he found only one CableCARD set out of twenty different digital models available. Even for the small number of consumers willing to buy a digital television without seeing it, Amazon.com and many other on-line retailers will not ship DTVs to Puerto Rico.")

<sup>15</sup> See CS Docket 97-80, Reply Comments of Charter, at Exhibit A (Sept. 28, 2006) (showing that the only CableCARD-ready devices from Best Buy and Circuit City in September 2006 were DTVs priced from \$1700-7000 and a Tivo Series 3 priced at \$800 plus more than \$150/year in TiVo subscription fees).

<sup>16</sup> See *supra* note 3.

areas outside of San Juan ..., can afford the expensive CableCARD devices now offered at retail by the consumer electronics industry. As a result, fewer of these devices are even available in Puerto Rico. There are no Circuit City or Best Buy stores anywhere in Puerto Rico, and TiVo does not support its service in Puerto Rico at this time. Because there is comparably little demand for retail CableCARD devices in Puerto Rico, ... the integration ban ... is a solution for a problem that does not clearly exist in Puerto Rico.<sup>17</sup>

Given the lack of availability and enormous expense of CableCARD devices in rural

Puerto Rico, *not a single customer has ever asked Choice to provide a CableCARD.*

There is simply no compelling consumer benefit in imposing the significant costs of the integration ban on Choice's customers for the supposed benefit of high-end retail

CableCARD products at least for so long as products are not in demand by Choice's customers and when they are barely even available in Puerto Rico for Choice to support.

**B. Grant of Choice's Requested Waiver is Necessary to Enable Choice's Customers to Have Access to High-Definition and DVR Services.**

Meanwhile, a prohibition on Choice from offering integrated HD/DVR devices would have a consequence far more grave than in the continental United States: some consumers would be prevented from obtaining such services altogether. Because of the significant price increase for CableCARD HD/DVR devices and the low-income demographics of its service area, Choice has decided not to order any such devices at this time.<sup>18</sup> Because such devices are also not available at retail in Puerto Rico, denial of Choice's request for waiver for its HD/DVR devices would therefore mean that some cable customers in Choice's service area would not be able to obtain HD/DVR functionality at all. This consequence would flatly contradict the goal of the 1996 Act to

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<sup>17</sup>CSR-7124-Z, Comments of the Telecommunications Regulatory Board of Puerto Rico (Mar. 19, 2007).

<sup>18</sup> Choice would continue to reassess this decision if prices for CableCARD HD/DVRs significantly decline, but it will not have any of these devices in stock on July 1, 2007.

deliver advanced services to rural Puerto Rico;<sup>19</sup> Congress' goal of encouraging the transition to high-definition digital television;<sup>20</sup> and Congress' explicit direction to the Commission that in implementing Section 629 it should "avoid actions which would have the effect of freezing or chilling the development of new technologies and services."<sup>21</sup> Instead, Congress required the Commission to grant waivers of its Section 629 regulations where "necessary to assist the development or introduction of [any] new or improved" MVPD service.<sup>22</sup>

The Commission has frequently granted waivers and other forms of individualized treatment to operators in Puerto Rico and other insular areas in light of exceptional circumstances in these areas, such as "weak economic conditions" and the low penetration of MVPD services.<sup>23</sup> With respect to the integration ban in particular, Puerto Rico's regulatory authority and its Member of Congress have already weighed in strongly in favor of relief, given the "disproportionate effect on Puerto Rican cable consumers, who on average have lower incomes and who are less likely to purchase a

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<sup>19</sup> See Telecommunications Act of 1996, Pub. L. No. 104-104, § 706, 110 Stat. 56, 153 (codified in notes under 47 U.S.C. § 157) (directing Commission "to encourage the deployment ...of advanced telecommunications capability to *all* Americans") (emphasis added).

<sup>20</sup> See, e.g., Title III of the Deficit Reduction Act of 2005, Pub. L. 109-171, 120 Stat. 4, 21 (Feb. 8, 2006) (requiring termination of analog broadcasting by February 18, 2009 and establishing subsidy program to encourage digital transition).

<sup>21</sup> Joint Explanatory Statement of the Committee of Conference, S. Conf. Rep. 104-230, 104th Cong., 2d Sess. at 181 (1996).

<sup>22</sup> 47 U.S.C. § 549(c).

<sup>23</sup> See, e.g., *Applications for Transfer of Control WAPA-TV, San Juan, PR*, ID No. 52073, Letter Order, DA 07-500 (rel. Feb. 2, 2007) (granting exception from 47 C.F.R. § 73.3555(b) for television stations in Puerto Rico, noting "weak economic conditions" ("The gross national income per capita is only 30% of the U.S.' average and the average wage earned by island residents is only 54% of that earned by mainland residents. Outside of San Juan, the income differential is even more dramatic") and low MVPD penetration ("cable subscription on Puerto Rico is limited to approximately 25% of TV households and only 20% of TV households subscribe to DBS. This is substantially below the subscription rate of over 80% for multi-channel video providers in the United States.")).

high-end set-top than consumers in the mainland United States.”<sup>24</sup>

Because a prohibition on integrated HD and DVR devices in Puerto Rico would impede access to these advanced services without any counterbalancing near-term consumer benefit, the Commission should grant Choice a waiver from the ban for such devices for at least three years. If application of the integration ban in the continental United States eventually proves to have stimulated the development and adoption of retail navigation devices, *and* if consumer electronics companies begin to sell more CableCARD-ready devices that are suitable for and available in the Puerto Rican market, the Commission could revisit whether it had become necessary to apply the rule to Choice at the end of this initial waiver period. In the meantime, however, application of the integration ban to Choice would only hurt consumers and chill the delivery of advanced services in rural Puerto Rico. Under the standards of Section 629(c) and *WAIT Radio*, and in light of Section 706, the Commission should therefore grant a waiver to Choice from the integration ban for all devices for at least three years.

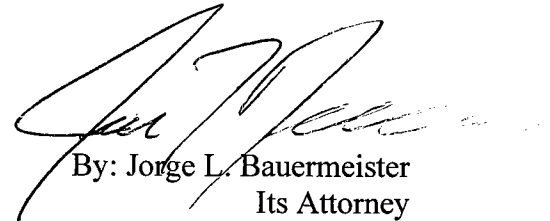
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<sup>24</sup> CSR-7124-Z, Comments of the Telecommunications Regulatory Board of Puerto Rico (Mar. 19, 2007).

### CONCLUSION

For the foregoing reasons, the Commission should grant Choice a permanent waiver from the integration ban for the DCT-700 set top box, and a waiver of at least three years for all other set-top boxes. Such waivers are necessary to enable Choice to sustain its all-digital network through the 2009 DTV transition, and to deliver advanced HD and DVR services to the low-income small and rural communities of Puerto Rico.

Respectfully Submitted,  
Choice Cable T.V.



By: Jorge L. Bauermeister  
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April 24, 2007

**Exhibit 1**

**SWORN DECLARATION OF JAMES SWEET**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of  
Puerto Rico Cable Acquisition Corp.  
Request for Waiver of 47 C.F.R. 76.1204(a)(1)

CSR-

**SWORN DECLARATION OF JAMES SWEET**


1. My name is James Sweet. I am the Technical Project Manager of Puerto Rico Cable Acquisition Corp., d/b/a Choice Cable T.V. (hereinafter "Choice"). I have read the forgoing Request for Waiver, and declare under penalty of perjury that the facts contained therein and in this Declaration are true and correct to the best of my knowledge, information, and belief, and that I am authorized to give this Declaration on behalf of Choice.

2. Choice transitioned to an all-digital network in May 2006. Choice is currently not transmitting programming in analog.

3. In the six months prior to its termination of analog transmission, Choice sent three separate written notices to each of its customers advising them of the transition and the need for them to have digital converters in place.

4. Choice has sufficient inventory of set-top boxes to ensure that each of its customers can continue to view its video programming on their television sets.

5. I am familiar with Choice's utilization of the Motorola DCT-700 and its need to continue to have access to such a low-cost digital set-top box to maintain a competitive all-digital network.

  
James Sweet  
Technical Project Manager  
Puerto Rico Cable Acquisition Corp.,  
d/b/a Choice Cable T.V.

April 23, 2007

**Exhibit 2**

**2005 U.S. CENSUS DATA FOR MAYAGUEZ-SAN GERMAN-CABO ROJO, PR  
COMBINED STATISTICAL AREA**



## Mayagüez-San Germán-Cabo Rojo, PR Combined Statistical Area

### Selected Economic Characteristics: 2005

Data Set: 2005 American Community Survey

Survey: 2005 Puerto Rico Community Survey

NOTE. Data are limited to the household population and exclude the population living in institutions, college dormitories, and other group quarters. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see [Survey Methodology](#).

Selected Economic Characteristics: 2005	Estimate	Margin of Error
<b>EMPLOYMENT STATUS</b>		
<b>Population 16 years and over</b>	<b>201,571</b>	<b>+/-2,364</b>
In labor force	80,916	+/-3,187
Civilian labor force	80,868	+/-3,193
Employed	69,565	+/-2,936
Unemployed	11,303	+/-1,789
Armed Forces	48	+/-85
Not in labor force	120,655	+/-3,548
<b>Civilian labor force</b>	<b>80,868</b>	<b>+/-3,193</b>
Unemployed	14.0%	+/-2.0
<b>Females 16 years and over</b>	<b>107,026</b>	<b>+/-1,357</b>
In labor force	35,307	+/-2,270
Civilian labor force	35,307	+/-2,270
Employed	29,332	+/-2,185
<b>Own children under 6 years</b>	<b>17,549</b>	<b>+/-1,428</b>
All parents in family in labor force	7,666	+/-1,576
<b>Own children 6 to 17 years</b>	<b>37,919</b>	<b>+/-2,002</b>
All parents in family in labor force	17,312	+/-2,957
<b>COMMUTING TO WORK</b>		
<b>Workers 16 years and over</b>	<b>67,861</b>	<b>+/-2,906</b>
Car, truck, or van -- drove alone	56,404	+/-2,983
Car, truck, or van -- carpooled	5,738	+/-1,261
Public transportation (excluding taxicab)	1,539	+/-595
Walked	2,237	+/-639
Other means	864	+/-406
Worked at home	1,079	+/-514
Mean travel time to work (minutes)	30.7	+/-2.3
<b>Civilian employed population 16 years and over</b>	<b>69,565</b>	<b>+/-2,936</b>
<b>OCCUPATION</b>		
Management, professional, and related occupations	18,664	+/-2,058
Service occupations	13,085	+/-1,753
Sales and office occupations	19,590	+/-2,397
Farming, fishing, and forestry occupations	929	+/-533
Construction, extraction, maintenance and repair occupations	7,758	+/-1,516
Production, transportation, and material moving occupations	9,539	+/-1,713

<b>Selected Economic Characteristics: 2005</b>	<b>Estimate</b>	<b>Margin of Error</b>
<b>INDUSTRY</b>		
Agriculture, forestry, fishing and hunting, and mining	1,288	+/-598
Construction	4,913	+/-1,154
Manufacturing	9,545	+/-1,888
Wholesale trade	2,336	+/-803
Retail trade	8,862	+/-1,857
Transportation and warehousing, and utilities	2,371	+/-675
Information	1,283	+/-588
Finance and insurance, and real estate and rental and leasing	3,521	+/-825
Professional, scientific, and management, and administrative and waste management services	4,463	+/-1,146
Educational services, and health care, and social assistance	15,855	+/-2,174
Arts, entertainment, and recreation, and accommodation, and food services	6,528	+/-1,176
Other services, except public administration	2,999	+/-975
Public administration	5,601	+/-1,099
<b>CLASS OF WORKER</b>		
Private wage and salary workers	45,792	+/-3,140
Government workers	18,359	+/-2,017
Self-employed workers in own not incorporated business	5,280	+/-898
Unpaid family workers	134	+/-165
<b>INCOME AND BENEFITS (IN 2005 INFLATION-ADJUSTED DOLLARS)</b>		
<b>Total households</b>	<b>87,422</b>	<b>+/-1,966</b>
Less than \$10,000	34,797	+/-2,363
\$10,000 to \$14,999	13,944	+/-1,675
\$15,000 to \$24,999	15,428	+/-1,754
\$25,000 to \$34,999	9,989	+/-1,516
\$35,000 to \$49,999	6,725	+/-1,087
\$50,000 to \$74,999	4,536	+/-862
\$75,000 to \$99,999	1,324	+/-524
\$100,000 to \$149,999	533	+/-258
\$150,000 to \$199,999	80	+/-134
\$200,000 or more	66	+/-110
Median household income (dollars)	12,960	+/-796
Mean household income (dollars)	19,210	+/-888
<b>With earnings</b>		
Mean earnings (dollars)	23,869	+/-1,516
<b>With Social Security</b>		
Mean Social Security income (dollars)	8,339	+/-368
<b>With retirement income</b>		
Mean retirement income (dollars)	9,376	+/-1,083
<b>With Supplemental Security Income</b>		
Mean Supplemental Security Income (dollars)	4,068	+/-1,027
<b>With cash public assistance income</b>		
Mean cash public assistance income (dollars)	1,795	+/-261
With Food Stamp benefits in the past 12 months	25,905	+/-2,076
<b>Families</b>		
<b>Total families</b>	<b>64,459</b>	<b>+/-2,104</b>
Less than \$10,000	19,649	+/-1,992
\$10,000 to \$14,999	10,730	+/-1,598
\$15,000 to \$24,999	13,271	+/-1,666
\$25,000 to \$34,999	9,103	+/-1,446
\$35,000 to \$49,999	5,977	+/-999
\$50,000 to \$74,999	4,054	+/-845
\$75,000 to \$99,999	1,062	+/-486
\$100,000 to \$149,999	533	+/-258
\$150,000 to \$199,999	80	+/-134
\$200,000 or more	0	+/-268
Median family income (dollars)	16,278	+/-1,220
Mean family income (dollars)	21,960	+/-1,019

Selected Economic Characteristics: 2005	Estimate	Margin of Error
Per capita income (dollars)	7,245	+/-345
<b>Nonfamily households</b>	<b>22,963</b>	<b>+/-1,891</b>
Median nonfamily income (dollars)	6,183	+/-720
Mean nonfamily income (dollars)	10,585	+/-1,702
Median earnings for workers (dollars)	12,145	+/-435
Median earnings for male full-time, year-round workers (dollars)	15,612	+/-934
Median earnings for female full-time, year-round workers (dollars)	16,096	+/-1,252
<b>PERCENTAGE OF FAMILIES AND PEOPLE WHOSE INCOME IN THE PAST 12 MONTHS IS BELOW THE POVERTY LEVEL</b>		
All families	47.5%	+/-2.4
With related children under 18 years	57.9%	+/-4.1
With related children under 5 years only	62.1%	+/-9.6
Married couple families	38.6%	+/-3.1
With related children under 18 years	44.5%	+/-6.1
With related children under 5 years only	52.2%	+/-12.9
Families with female householder, no husband present	66.5%	+/-4.4
With related children under 18 years	77.3%	+/-5.4
With related children under 5 years only	80.2%	+/-14.8
All people	52.8%	+/-2.4
Under 18 years	62.4%	+/-4.2
Related children under 18 years	62.1%	+/-4.3
Related children under 5 years	63.8%	+/-6.9
Related children 5 to 17 years	61.6%	+/-4.7
18 years and over	49.8%	+/-2.2
18 to 64 years	48.9%	+/-2.5
65 years and over	53.4%	+/-3.9
People in families	50.1%	+/-2.7
Unrelated individuals 15 years and over	71.8%	+/-3.8

Source: U.S. Census Bureau, 2005 American Community Survey

Data are based on a sample and are subject to sampling variability. The degree of uncertainty for an estimate arising from sampling variability is represented through the use of a margin of error. The value shown here is the 90 percent margin of error. The margin of error can be interpreted roughly as providing a 90 percent probability that the interval defined by the estimate minus the margin of error and the estimate plus the margin of error (the lower and upper confidence bounds) contains the true value. In addition to sampling variability, the ACS estimates are subject to nonsampling error (for a discussion of nonsampling variability, see [Accuracy of the Data](#)). The effect of nonsampling error is not represented in these tables.

Notes:

- The number of householders does not necessarily equal the number of households because of differences in the weighting schemes for the population and occupied housing units.
- Employment and unemployment estimates may vary from the official labor force data released by the Bureau of Labor Statistics because of differences in survey design and data collection. For guidance on differences in employment and unemployment estimates from different sources go to [Labor Force Guidance](#).
- Workers include members of the Armed Forces and civilians who were at work last week.
- Occupation codes are 4-digit codes, but are still based on Standard Occupational Classification 2000.
- Industry codes are 4-digit codes and are based on the North American Industry Classification System 2002. However, the Industry categories adhere to the guidelines issued in Clarification Memorandum No. 2, "NAICS Alternate Aggregation Structure for Use By U.S. Statistical Agencies," issued by the Office of Management and Budget.

Explanation of Symbols:

1. An '\*' entry in the margin of error column indicates that too few sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
2. An '\*\*' entry in the margin of error column indicates that no sample observations were available to compute a standard error and thus the margin of error. A statistical test is not appropriate.
3. An '-' entry in the estimate column indicates that no sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.
4. An '-' following a median estimate means the median falls in the lowest interval of an open-ended distribution.
5. An '+' following a median estimate means the median falls in the upper interval of an open-ended distribution.
6. An '\*\*\*\*' entry in the margin of error column indicates that the median falls in the lowest interval or upper interval of an open-ended distribution. A statistical test is not appropriate.
7. An '\*\*\*\*\*' entry in the margin of error column indicates that the estimate is controlled. A statistical test for sampling variability is not appropriate.
8. An 'N' entry in the estimate and margin of error columns indicates that data for this geographic area cannot be displayed because the

**Exhibit 3**

**SPECIFICATIONS FOR MOTOTOLA DCT-700 SET-TOP BOX**



## *DCT700 All-Digital Set-top*

**An interactive digital set-top with small size and big performance.**

Motorola's DCT700 provides versatile interactivity in the all-digital network for expanded information and entertainment services.

The Motorola DCT700 is an all-digital set-top that provides you with the advantages of an all-digital network. Digital channels take up less room on your cable TV network. This results in increased "bandwidth" for more channels and services like high-definition TV (HDTV), electronic program guides (EPGs), pay-per-view (PPV), Video on Demand (VOD), and other on-demand information and entertainment services. The DCT700's capabilities are limited only by what your cable service provider offers. If your cable service provider eliminated analog channels in your area and replaced them with "all digital" channels, there would be even more room on the cable network system for additional services such as high-speed data, VOD, and high-definition content.

To decode the data used to transmit the digital channels, a separate set-top is required for each television in the home. The DCT700 provides digital channels to all your TVs through coaxial cable or analog (RCA-type) audio/video jacks.

Check with your local cable service provider for availability of the DCT700 in your area.

### **HIGHLIGHTS**

- Supports services such as EPGs, PPV, and VOD
- Reclaims bandwidth allocated to analog channels
- Compatible with Motorola's award-winning secure MediaCipher® conditional access technology
- Two-way capability to enable interactivity
- Motion picture industry standard for coding and decoding video (MPEG-2)
- AC-3 standard for 5.1 Dolby® Digital Surround Sound

# **CONNECTEDMOTO**



**MOTOROLA**  
intelligence everywhere™



# *DCT700*

## *All-Digital Set-top*



### Technical Specifications

#### STANDARD FEATURES

MPEG-2 Digital Video Processor  
ATSC standard Dolby® Digital (AC-3) audio processor  
ITU standard 64/256 QAM/FEC/enhanced adaptive equalizer  
On-board real-time RF return (256 Kbps)  
Bitmapped graphics display (4-/8-bit)  
90–860 MHz tuner  
DES-Based encryption/DCII access control  
Digital diagnostics  
Frequency agile 2.048 Mbps out-of-band data receiver  
Macrovision® copy protection  
IR support for remote control

#### STANDARD INTERFACES

RF remodulator output (ch. 3, 4)  
Baseband video and audio outputs

#### OPTIONAL FEATURES

Motorola Universal Remote Control (DRC450)

**To view our full line of Connected Home Solutions, visit our Web site at [broadband.motorola.com/consumers](http://broadband.motorola.com/consumers)**

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